

RECEIVED
ON-SITE SYSTEMS, INC.
A PUBLIC UTILITY CO.

2003 MAY -9 PM 3: 56
T.R.A. DOCKET ROOM

May 9, 2003

Honorable Sara Kyle
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

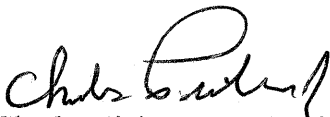
RE: Petition to amend Certificate of Convenience and Necessity

03-00329

Dear Chairman Kyle:

On-Site Systems Inc. desires to expand its service area to include an area known as Sevier County. The attached Petition is in support of our request.

Sincerely,


Charles Pickney, Jr., President
On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-7294 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2003

**IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY**

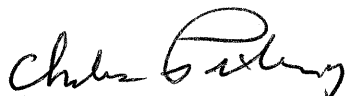
DOCKET No. _____

Petition of On-Site Systems, Inc.
To amend its Certificate of Convenience and Necessity

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity to expand its service area to include a portion of Sevier County. At present, On-Site Systems provides service to areas in Sevier County known as Hidden Springs Resort, Eagle Crest Development, Dollywood Project, Homestead Subdivision, Eagle Springs Subdivision, Starr Crest II, Eagle Crest II, Gnatty Branch Retreat and the Highlands. The proposed service area to be known as Sevier County covers all of the remainder of Sevier County, Tennessee with the exception of the area presently being served by the East Sevier Utility District and the areas presently within the city limits and planned growth area of Sevierville, Pigeon Forge, Gatlinburg and Pittman Center. This area is described more fully on the attached map (Exhibit A) of the Urban Growth Plan (1101), Sevier County, Tennessee. Our proposed service area includes the growth area of Sevier County. At present, the County of Sevier has no desire or ability to provide sewer service to this area. (See attached letter.)

The proposed service area is shown in Exhibit A attached hereto.

Respectfully submitted,


Charles Pickney Jr., President
On-Site Systems, Inc.

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision – Maury County	\$35.11
Southridge Subdivision – Montgomery County	\$19.38 + actual cost
Swan Harbor – Roane County	\$35.11
River Road Utility District – Cheatham County	\$31.15
Milcrofton Utility District – Williamson County	\$37.21
Tall Oaks Subdivision – Blount County	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County	\$35.11
Shreibman Development – Cannon County	\$35.11
Cornerstone of Mitchell Creek – Overton County	\$35.11
Bolton Area – Shelby County	\$32.68
Ussery #1- Sevier County	\$35.11
Harbor Pointe – DeKalb County	\$35.11
Hidden Springs Resort – Sevier County	\$35.11
Eagle Crest Development – Sevier County	\$35.11
Legacy Bay – Hawkins County	\$35.11
Dollywood Project – (Dream Catcher Ridge) - Sevier County	\$35.11
Homestead Subdivision – Sevier County	\$35.11
Rice Property (Blue Water Bay) – DeKalb County	\$35.11
East Stewart – Stewart County	\$30.98 – Lagoon \$35.11 – Sand Gravel Filter

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

Eagle Springs Subdivision – Sevier County	\$35.11
Jackson Bend Subdivision – Blount County	\$35.11
Browning Subdivision – Knox County	\$35.11
Starr Crest II – Sevier County	\$35.11
City of Coopertown - Robertson County - Lagoon	\$30.98 + 3% Franchise fee
- Sand-Gravel Filter	\$35.11 + 3% Franchise fee
Horseshoe Bend – Bedford County	\$35.11
Eagle Crest II - Sevier County	\$35.11
Gnatty Branch Retreat – Sevier County	\$35.11
Airbase Road Condominiums – Blount County	\$35.11
Goose Creek Area – Lagoon -Williamson County	\$35.50
Sand Gravel Filter	\$40.71
Falling Waters – Sevier County	\$35.11
Stewart County West – Stewart County	\$35.11
Lighthouse Point Condominiums – Jefferson County	\$35.11
The Highlands – Sevier County	\$35.11
Highland Cove – Dekalb County	\$35.11
Tims Ford State Park Area-Franklin County - Lagoon	\$30.98
Sand Gravel Filter	\$35.11
Sunnybrook – Robertson County	\$35.11
Smokey Mountain Ridge Resort – Sevier County	\$35.11
Sevier County – Sevier County	\$35.11
Fees: Nonpayment – 5%, Disconnection - \$10,	
Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

On-Site Systems, Inc.
Sewer Systems with Commercial Customers

System	County
Townsend Town Square	Blount County
Coopertown	Robertson County
East Stewart	Stewart County
Highway 31 Project (Herndon's BP)	Robertson County
Lyles Texaco	Hickman County
Topside Business Park	Blount County
Stewart County West	Stewart County
Cedar Hill Baptist Church	Robertson County
Tims Ford Area	Franklin County
Sunnybrook	Robertson County
Smokey Mountain Ridge Resort	Sevier County
Sevier County	Sevier County

EFFECTIVE DATE: 5/9/2003

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$170.00	\$192.00	N/A
<u>Lagoon</u>	\$142.00	\$163.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
 Disconnection - \$10
 Reconnection - \$15
 Returned Check - \$20
 City of Coopertown Franchise Fees: 3%

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Sand-Gravel Filter</u>	\$140.00	\$165.00
	<u>Lagoon</u>	\$116.00	\$140.00
	<u>* Off Site</u>	N/A	N/A
			Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<u>Excess water usage</u>	<u>Surcharge</u>
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%



PIGEON FORGE
T.E.N.N.E.S.S.E.E

DEPARTMENT OF PUBLIC WORKS
COMMUNITY DEVELOPMENT DIVISION
JOHN JAGGER
DIRECTOR

February 12, 2003

Mr. Michael Hines
Vice President
On-Site Systems, Inc.
P.O. Box 22771
Knoxville, TN 37933-0771

RE: OSI request to TRA for exclusive coverage of Sevier County

Dear Mr. Hines:

In your letter of January 10, you informed me that your firm is preparing a petition to the Tennessee Regulatory Agency requesting a Certificate of Convenience and Necessity to cover the remaining areas of Sevier County where municipal or county sewers are not available, including the unincorporated portion of the Pigeon Forge Planning Region. After discussing this issue with the city manager and city attorney, we believe that the City of Pigeon Forge should take a neutral stance on this matter, neither supporting nor opposing the request.

Thank you for keeping us informed of your intentions.

Sincerely,

John Jagger
Community Development Director

xc: Earlene Teaster
Jim Gass



SEVIER COUNTY
LARRY WATERS
County Executive

Room 201E
125 Court Avenue
Sevier County Court House
Sevierville, Tennessee 37862
Office: (865) 453-6136
Home: (865) 436-4796
FAX: (865) 453-6830

March 6, 2003

On-Site Sytems, Inc.
Attn: Mike Hines
Post Office Box 22771
Knoxville, Tennessee 37933-0771

To Whom It May Concern,

Sevier County does not presently have plans to provide municipal or county sewers into unincorporated areas of the county. If anyone should have questions, please contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Waters", is positioned above the typed name.

Larry Waters
County Executive

LW/sm